

REVENUE DEPARTMENT[701]

Adopted and Filed

Pursuant to the authority of Iowa Code chapter 17A and section 421.14, the Department of Revenue hereby adopts amendments to Chapter 18, “Taxable and Exempt Sales Determined by Method of Transaction or Usage,” and Chapter 212, “Elements Included In and Excluded From a Taxable Sale and Sales Price,” Iowa Administrative Code.

Notice of Intended Action was published in IAB Vol. XXXI, No. 25, p. 2665, on June 3, 2009, as **ARC 7832B**.

Item 1 amends rule 701—18.20(422,423) by adopting new subrule 18.20(7). The amendment provides definitions used in the taxation of communication service, telecommunications service, ancillary service and other similar communication service and expands and clarifies provisions governing these services. The amendment is required for compliance with the Streamlined Sales and Use Tax Agreement.

Item 2 amends Chapter 212 by adding new rule 701—212.8(423). This new rule deals with payments made by a third party, such as a reimbursement to a retailer from a manufacturer for a manufacturer’s coupon.

These amendments are identical to those published under Notice of Intended Action.

These amendments will become effective September 2, 2009, after filing with the Administrative Rules Coordinator and publication in the Iowa Administration Bulletin.

These amendments are intended to implement Iowa Code chapters 422 and 423.

EDITOR’S NOTE: Pursuant to recommendation of the Administrative Rules Review Committee published in the Iowa Administrative Bulletin, September 10, 1986, the text of these amendments [18.20(7), 212.8] is being omitted. These amendments are identical to those published under Notice as **ARC 7832B**, IAB 6/3/09.

[Filed 7/10/09, effective 9/2/09]

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[For replacement pages for IAC, see IAC Supplement 7/29/09.]